



**MONETARY BOARD
CENTRAL BANK OF SRI LANKA**

24 March 2020

CIRCULAR

No. 04 of 2020

**RELIEF MEASURES TO ASSIST COVID-19 AFFECTED BUSINESSES AND
INDIVIDUALS**

In line with the decision taken by the Cabinet of Ministers at the Cabinet meeting held on 20.03.2020 on the Direction issued by His Excellency the President to provide relief measures to assist businesses and individuals who are adversely affected by the prevailing Covid-19 outbreak, the Central Bank of Sri Lanka hereby issues this Circular to the licensed commercial banks, licensed specialised banks and leasing companies, hereinafter referred to as financial institutions.

1. All such financial institutions shall implement a debt moratorium (on capital and interest) as follows:
 - a. A six-month moratorium on the leasing rentals of all three-wheelers, school vans, lorries, small goods transport vehicles and buses operated by the self-employed;
 - b. A moratorium until 30.05.2020 on personal loans granted to all private sector non-executive employees;
 - c. A three-month moratorium for all personal loans and leasing rentals of value less than Rs. 1 million; and
 - d. A six-month debt moratorium for affected industries in small & medium enterprises, tourism, apparel, plantation, IT and related logistic service providers.
2. Financial institutions shall provide working capital requirements at an interest rate of 4% and waive-off interest payments for at least 6 months for sectors in item 1(d) above. An interest subsidy will be included in refinance.
3. Financial institutions are required to accommodate customers to submit loan applications for items 1 and 2 above until 30.04.2020 and financial institutions are required to finalise the same within 45 days.
4. Financial institutions shall charge a maximum interest rate of 15 per cent on local credit card transactions of value up to Rs. 50,000; the minimum monthly payment on credit cards shall be reduced by 50 percent; and repayment of all credit cards below the limit of Rs. 50,000 to be extended until 30.04.2020.
5. Licensed banks shall extend the validity period of cheques valued less than Rs. 500,000 until 30.04.2020.



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6. All branches of licensed banks shall be kept open from 8.00 a.m. to 1.00 p.m. on non-curfew days with a minimum number of employees, and the corporate branches shall be kept open during curfew days to facilitate international transactions relating to food, medicine, travel and other customers.
7. Detailed instructions on foregoing shall be issued on 27.03.2020.

Prof. W D Lakshman

*Chairman of the Monetary Board and
Governor of the Central Bank of Sri Lanka*